



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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**HAWAII BEGINS NEW YEAR WITH LOWEST UNEMPLOYMENT RATE
IN THE NATION AT 3.0 PERCENT FOR JANUARY 2005**

Hawaii's Unemployment Rate Drops from 3.6 in January 2004 to 3.0 for
January 2005 as Leisure & Hospitality Industry Adds 700 Jobs

HONOLULU- The Hawaii State Department of Labor and Industrial Relations announced today that the January statewide seasonally adjusted unemployment rate was 3.0 percent, remaining unchanged from December. Hawaii's 3.0 percent unemployment rate was the lowest unemployment rate in the nation for the second consecutive month and continues a trend from 2004 in which Hawaii's unemployment rate was either the lowest or one of the lowest in the nation.

Nationally, the seasonally adjusted unemployment rate in January was 5.2 percent, a decline of 0.2 percentage point from 5.4 percent in December. One year ago, Hawaii's seasonally adjusted unemployment rate was 3.6 percent, while the national seasonally adjusted unemployment rate was 5.7 percent. In January 2005, the statewide seasonally adjusted labor force totaled 621,450 and was comprised of 603,050 employed and 18,450 unemployed.

In another measure of employment, total seasonally adjusted non-agricultural jobs decreased over-the-month by 3,900 to 587,400. The bulk of the decline in jobs occurred in

Government (-3,200), with the drop mostly attributable to cuts of hourly positions at the Department of Education, which occurred at the end of the fall semester. (The resumption of these hourly positions at the start of the spring semester will be reflected in next month's report.) Trade, Transportation, & Utilities contracted by 1,100 jobs, with job contraction primarily occurring in general merchandise stores. On the positive side, Leisure & Hospitality and Education & Health Services added 700 and 400 jobs, respectively. Three industry series will have seasonally adjusted figures available for 2005, all of which showed little change in January over December, namely Natural Resources, Mining, & Construction (-100), Manufacturing (+100), and Other Services (-200).

Over-the-year, with the exception of Other Services (-500), all private sector seasonally-adjusted industry series experienced job expansion, with Leisure & Hospitality (+4,300), Trade, Transportation & Utilities (+3,900), Education & Health Services (+2,400), and Natural Resources, Mining, & Construction (+2,100) with growth in excess of three and one-half percent. Manufacturing employment increased by 300 over-the-year (+1.9 percent).

"The Administration is very pleased the state's low unemployment that prevailed throughout 2004 is continuing this year," said Nelson Befitel, Director of Labor & Industrial Relations. "The 3.0 unemployment rate is a great way to start the new year, and points to a continued strong job market for our residents."

This month, the DLIR implemented changes in the labor force estimation methodology instituted by the U.S. Bureau of Labor Statistics. Revised historical data through 2004 will be re-estimated using the new methodology from 1976 for statewide estimates and from 1990 for county estimates.

The new methodology is expected to improve Hawaii estimates with better seasonal adjustment and monthly benchmarking to the national Current Population Survey (CPS) estimates. Real-time benchmarking will ensure that estimates of employment and unemployment for the states add to national totals. Reliability measures will also be available to determine if a change in the unemployment rate is statistically significant. The statewide

seasonally adjusted unemployment rate has a margin of error of +/- 0.7 percentage point (90% confidence interval).

More information on the new methodology is available from the Hawaii Workforce Informer (HIWI) website at <http://www.hiwi.org/article.asp?ARTICLEID=1351&PAGEID=&SUBID=>. Also, the DLIR will further discuss the new unemployment estimation methodology by conducting a public information session on Oahu on March 29, 2005 and a video conference for the neighbor islands on March 30, 2005. Details of the informational sessions are available at www.hiwi.org.

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UNEMPLOYMENT RATES- NOT SEASONALLY ADJUSTED

UNEMPLOYMENT RATES- SEASONALLY ADJUSTED

	JAN 2005	* DEC 2004	* JAN 2004
STATE	2.8	2.7	3.4
HONOLULU	2.8	2.7	3.3
HAWAII COUNTY	3.2	3.2	3.9
KAUAI	2.8	2.8	3.5
MAUI COUNTY	2.5	2.5	3.2
Maui Island	2.3	2.3	3.1
Molokai	6.7	8.3	6.3
Lanai	0.5	2.6	2.7
U. S.	5.7	5.1	6.3

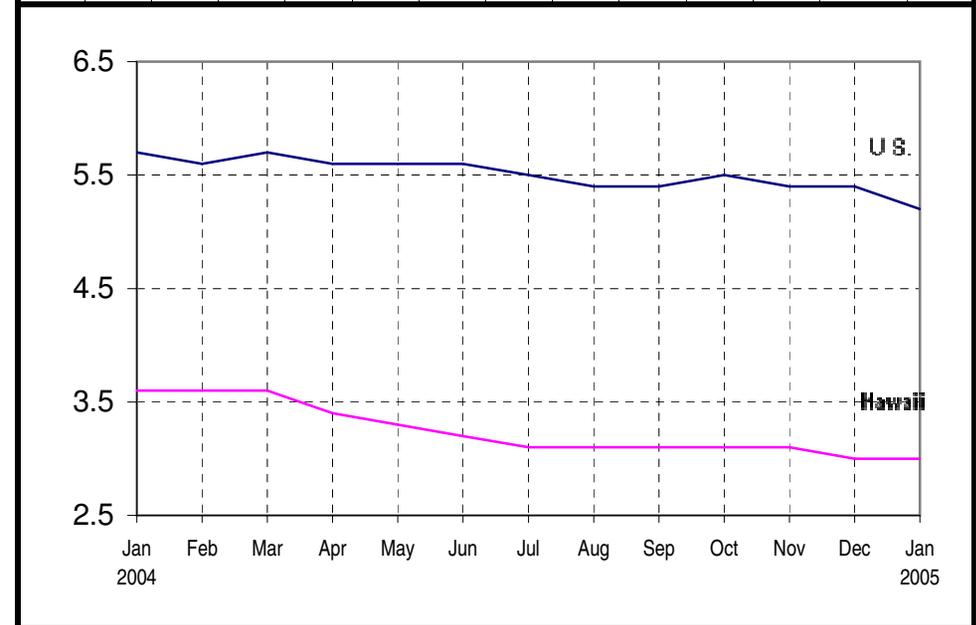
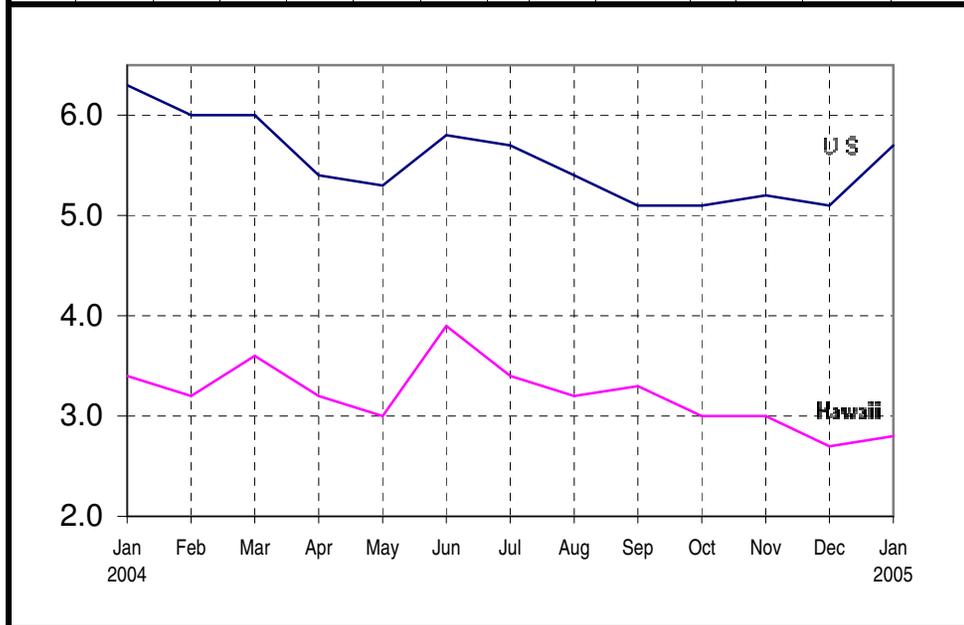
	JAN 2005	DEC 2004	JAN 2004
STATE	3.0	3.0	3.6
U. S.	5.2	5.4	5.7

	Jan 2005	Dec 2004	Jan 2004
Labor Force	621,450	618,350	613,700
Employment	603,050	599,500	591,550
Unemployment	18,450	18,800	22,150

* preliminary data subject to approval by the Bureau of Labor Statistics

	Jan 2004	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan 2005
U. S.	6.3	6.0	6.0	5.4	5.3	5.8	5.7	5.4	5.1	5.1	5.2	5.1	5.7
Hawaii	3.4	3.2	3.6	3.2	3.0	3.9	3.4	3.2	3.3	3.0	3.0	2.7	2.8

	Jan 2004	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan 2005
U. S.	5.7	5.6	5.7	5.6	5.6	5.6	5.5	5.4	5.4	5.5	5.4	5.4	5.2
Hawaii	3.6	3.6	3.6	3.4	3.3	3.2	3.1	3.1	3.1	3.1	3.1	3.0	3.0



LABOR FORCE AND JOBCOUNT ESTIMATES

January 2005 Report, Statewide

DEPARTMENT OF LABOR -- LABOR FORCE ESTIMATES								
STATEWIDE								
(NOT SEASONALLY ADJUSTED)								
	Jan-05	*Dec-04	*Jan-04	CHANGE FROM ONE MONTH AGO		CHANGE FROM ONE YEAR AGO		
CIVILIAN LABOR FORCE	622.5	620.0	615.7	2.5	0.4%	6.8	1.1%	
TOTAL EMPLOYED	604.8	603.1	594.7	1.7	0.3%	10.1	1.7%	
UNEMPLOYED	17.7	16.9	20.9	0.8	4.7%	-3.2	-15.3%	
percent of Labor Force	2.8%	2.7%	3.4%					
Total Nonfarm	583.8	598.9	568.9	-15.1	-2.5%	14.9	2.6%	
Total Private	467.9	476.1	450.5	-8.2	-1.7%	17.4	3.9%	
Goods Producing	45.5	46.1	43.0	-0.6	-1.3%	2.5	5.9%	
Service-Providing	538.3	552.8	525.9	-14.5	-2.6%	12.4	2.4%	
Private Service-Providing	422.4	430.0	407.5	-7.6	-1.8%	14.9	3.6%	
Construction of Buildings	9.6	9.7	8.7	-0.1	-1.5%	0.9	9.8%	
Special Trade Contractors	16.0	16.3	14.9	-0.3	-1.7%	1.1	7.8%	
Manufacturing	15.5	15.6	15.3	-0.1	-0.5%	0.2	1.1%	
Durable Goods	4.4	4.4	4.2	0.0	-1.0%	0.2	2.8%	
Non-Durable Goods	11.1	11.1	11.1	0.0	-0.3%	0.0	0.5%	
Trade, Transportation,	114.0	118.4	109.3	-4.4	-3.7%	4.7	4.3%	
Wholesale Trade	17.2	17.3	16.7	-0.1	-0.9%	0.5	2.6%	
Retail Trade	67.7	71.9	65.8	-4.2	-5.8%	1.9	3.0%	
Food and Beverage Sto	12.7	13.0	12.6	-0.3	-2.2%	0.1	0.9%	
Grocery Stores	10.6	10.8	10.5	-0.2	-2.0%	0.1	1.1%	
Clothing and Clothing	10.6	11.2	9.8	-0.6	-4.6%	0.8	9.0%	
General Merchandise S	12.4	14.2	11.2	-1.8	-13.2%	1.2	10.0%	
Department Stores	9.2	10.4	8.4	-1.2	-12.1%	0.8	9.1%	
Trans,Warehouse, Util	29.0	29.1	26.8	-0.1	-0.3%	2.2	8.5%	
Utilities	2.8	2.8	2.7	0.0	0.4%	0.1	5.2%	
Transport & Warehouse	26.2	26.3	24.1	-0.1	-0.3%	2.1	8.9%	
Air Transportation	10.2	10.3	10.1	-0.1	-0.9%	0.1	1.5%	
Information	11.3	11.2	10.2	0.1	0.7%	1.1	10.8%	
Telecommunications	3.8	3.8	3.9	0.0	0.0%	-0.1	-2.8%	
Financial Activities	28.8	28.8	28.5	0.0	-0.1%	0.3	1.1%	
Finance and Insurance	16.5	16.4	16.3	0.1	0.2%	0.2	1.0%	
Real Estate and Renta	12.3	12.4	12.2	-0.1	-0.4%	0.1	1.1%	
Professional and Busin	71.1	72.2	69.4	-1.1	-1.5%	1.7	2.5%	
Professional, Scienti	23.1	23.5	22.5	-0.4	-2.0%	0.6	2.7%	
Management of Compani	6.9	7.0	6.8	-0.1	-1.2%	0.1	1.6%	
Administrative and Su	41.1	41.6	40.1	-0.5	-1.3%	1.0	2.4%	
Employment Services	14.8	15.3	14.0	-0.5	-2.8%	0.8	5.9%	
Educational and Health	68.2	69.3	65.5	-1.1	-1.6%	2.7	4.0%	
Educational Services	13.1	13.8	12.4	-0.7	-5.3%	0.7	5.9%	
Elementary and Second	6.8	7.1	6.4	-0.3	-3.7%	0.4	7.4%	
Health Care and Socia	55.1	55.5	53.2	-0.4	-0.7%	1.9	3.6%	
Ambulatory Health Car	21.8	21.7	20.9	0.1	0.4%	0.9	4.3%	
Hospitals	14.0	14.1	14.1	-0.1	-1.1%	-0.1	-1.1%	
Nursing and Residenti	6.5	6.5	6.0	0.0	-0.5%	0.5	7.7%	
Social Assistance	12.8	13.1	12.1	-0.3	-2.3%	0.7	5.9%	
Individual & Family Service	7.0	7.2	6.6	-0.2	-2.3%	0.4	6.6%	
Leisure and Hospitalit	105.5	106.1	100.9	-0.6	-0.5%	4.6	4.6%	
Arts, Entertainment,	11.5	11.7	11.1	-0.2	-1.9%	0.4	3.6%	
Accommodation and Foo	94.0	94.4	89.8	-0.4	-0.3%	4.2	4.7%	
Accommodation	38.8	38.7	37.2	0.1	0.1%	1.6	4.1%	
Food Services and Dri	55.3	55.6	52.6	-0.3	-0.6%	2.7	5.1%	
Full-Service Restaura	28.3	28.6	27.0	-0.3	-0.8%	1.3	5.0%	
Other Services	23.5	24.1	23.8	-0.6	-2.1%	-0.3	-1.0%	
Government	116.0	122.8	118.4	-6.8	-5.6%	-2.4	-2.1%	
Federal Government	31.0	31.5	31.4	-0.5	-1.7%	-0.4	-1.3%	
Ship Building & Repair	4.2	4.2	4.3	0.0	-0.1%	-0.1	-2.8%	
Department of Defense	16.6	16.6	16.6	0.0	0.0%	0.0	-0.2%	
State Government	68.1	74.3	70.1	-6.2	-8.3%	-2.0	-2.8%	
State Govt. Education	44.4	50.4	46.6	-6.0	-11.7%	-2.2	-4.6%	
Local Government	16.9	17.1	16.9	-0.2	-1.3%	0.0	-0.4%	
* benchmarked data								

Not Seasonally Adjusted Non-Ag. Jobs

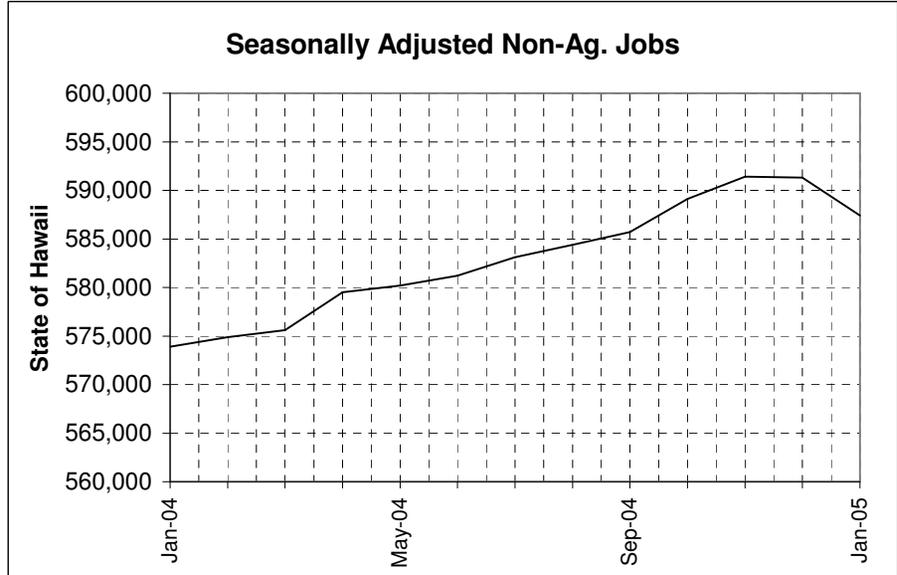
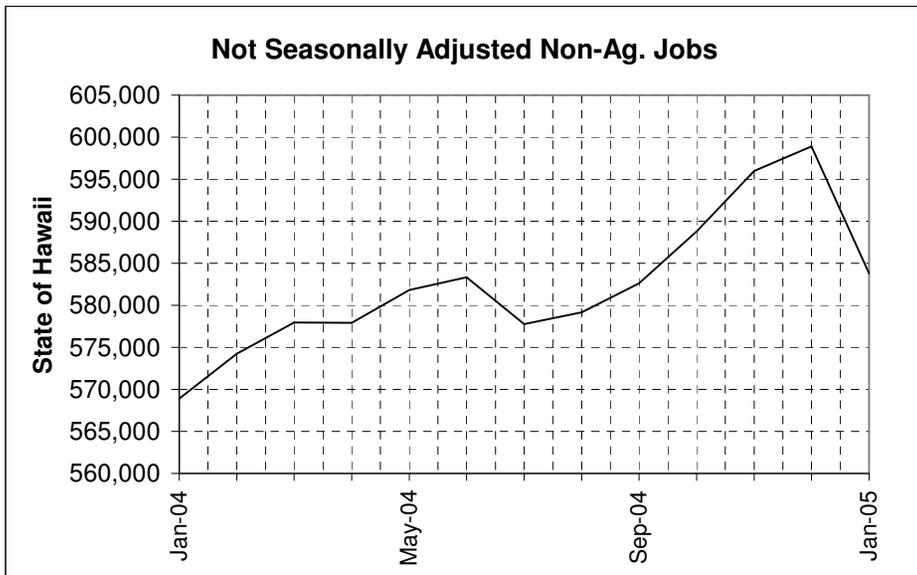
	Jan-05	Dec-04*	Jan-04*
NAT. RESOURCES, MINING & CONSTR.	30,000	30,500	27,650
MANUFACTURING	15,500	15,550	15,300
TRADE, TRANSPORTATION & UTILITIES	113,950	118,400	109,250
INFORMATION	11,250	11,200	10,150
FINANCIAL ACTIVITIES	28,800	28,800	28,500
PROFESSIONAL & BUSINESS SERVICES	71,100	72,000	69,400
EDUCATIONAL & HEALTH SERVICES	68,200	69,300	65,550
LEISURE & HOSPITALITY	105,550	106,100	100,900
OTHER SERVICES	23,550	24,050	23,800
GOVERNMENT	115,950	122,850	118,400
TOTAL	583,800	598,900	568,900

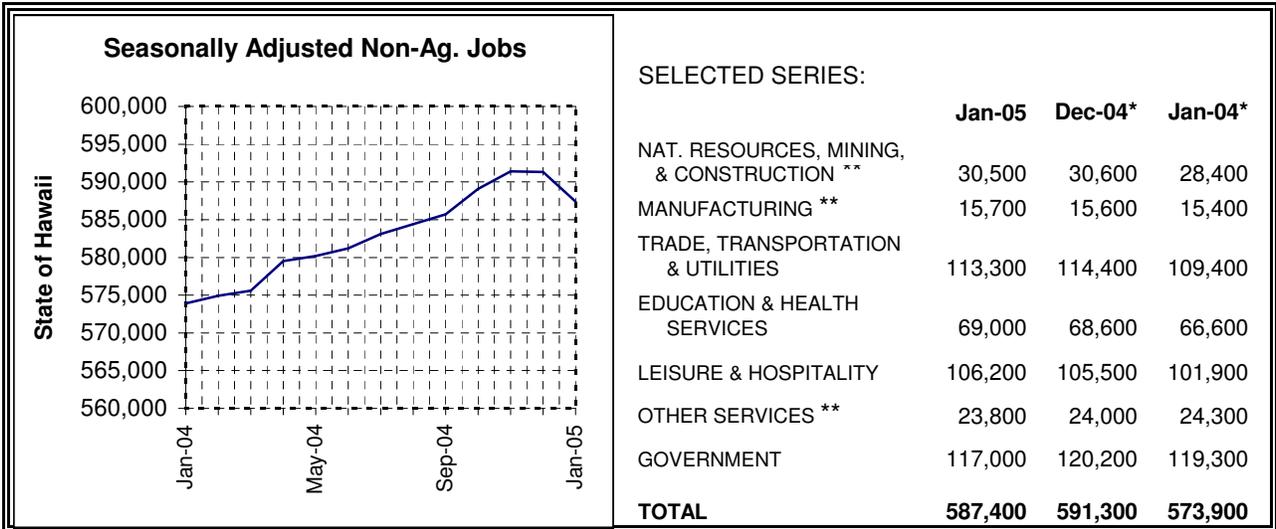
* BENCHMARKED DATA

Seasonally Adjusted Non-Ag. Jobs

	Jan-05	Dec-04*	Jan-04*
NAT. RESOURCES, MINING & CONSTR. **	30,500	30,600	28,400
MANUFACTURING **	15,700	15,600	15,400
TRADE, TRANSPORTATION & UTILITIES	113,300	114,400	109,400
EDUCATIONAL AND HEALTH SERVICES	69,000	68,600	66,600
LEISURE & HOSPITALITY	106,200	105,500	101,900
OTHER SERVICES **	23,800	24,000	24,300
GOVERNMENT	117,000	120,200	119,300
TOTAL	587,400	591,300	573,900

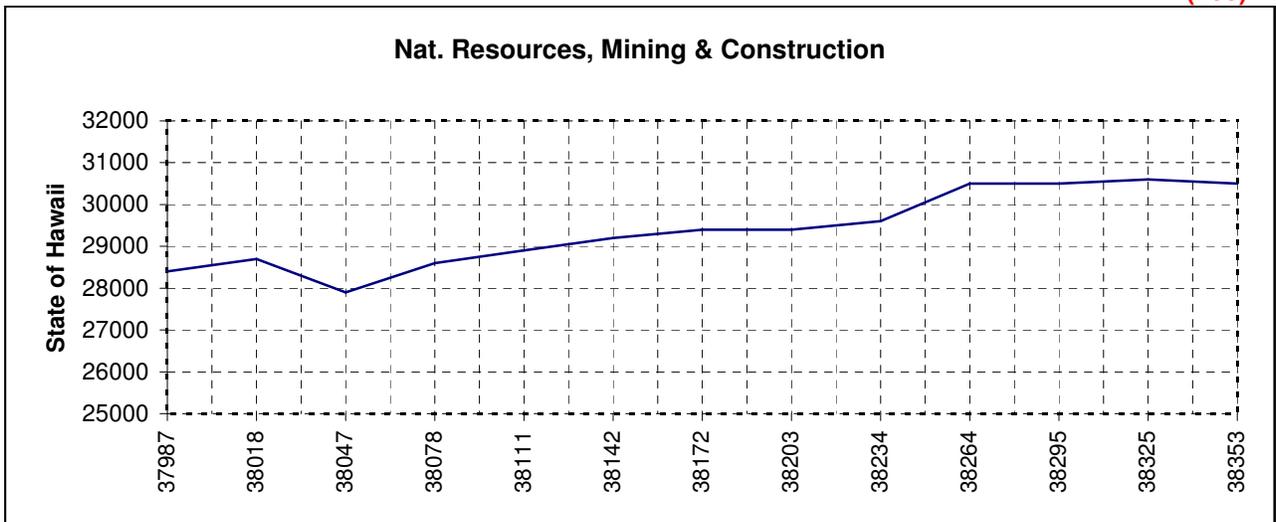
** NEW SEASONALLY ADJUSTED SERIES



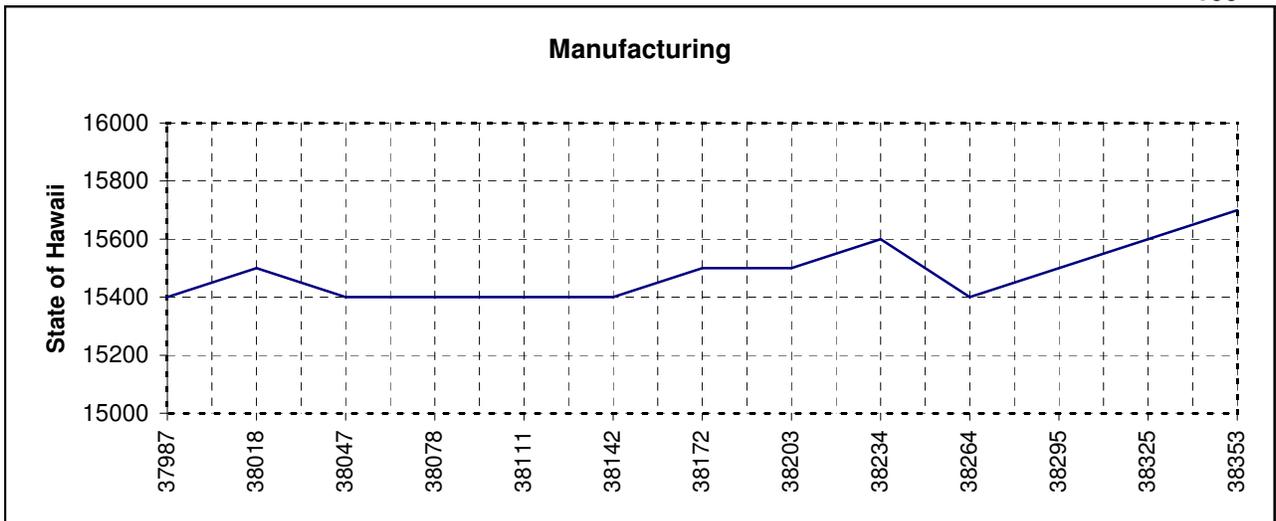


* BENCHMARKED DATA; ** NEW SEASONALLY ADJUSTED SERIES

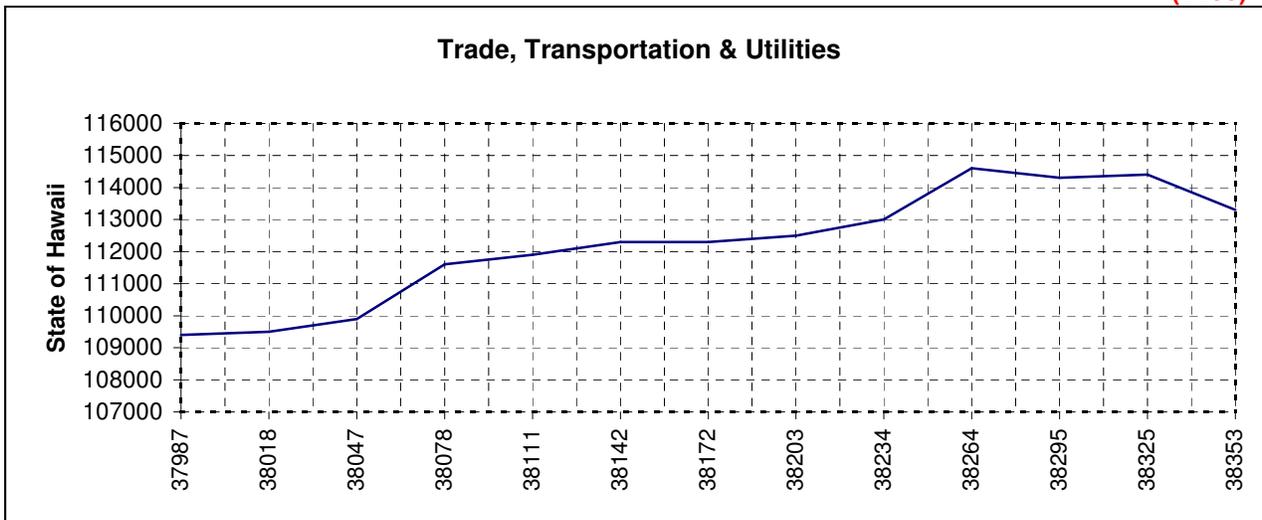
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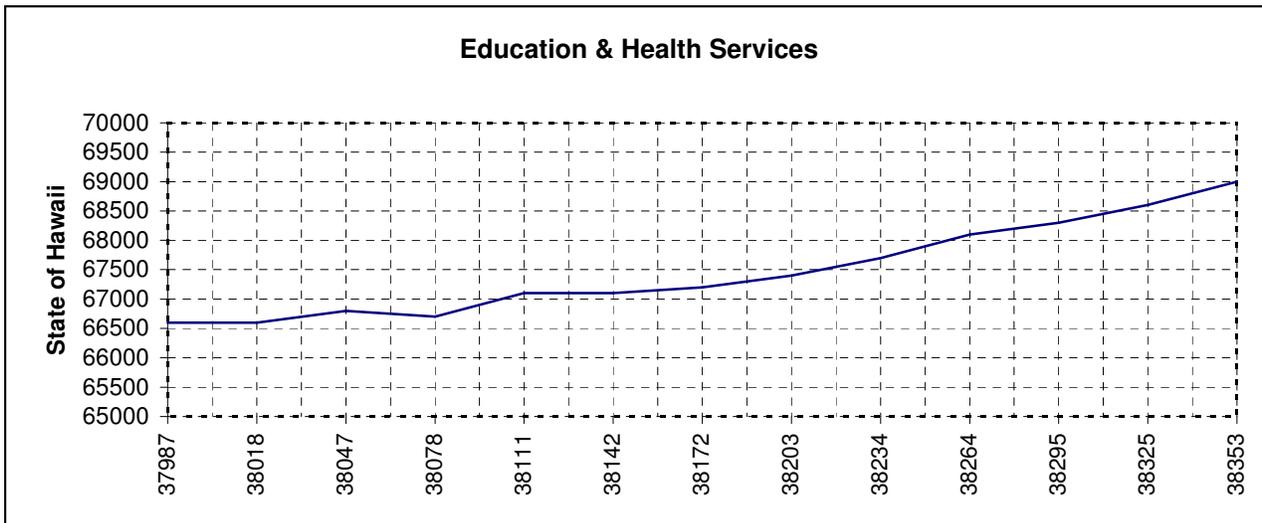
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